

Autonomous Actors or Faithful Agents?

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Delegation and Agency in International Organizations. Edited by Darren G. Hawkins, David A. Lake, Daniel L. Nielson, and Michael J. Tierney. Cambridge: Cambridge University Press, 2006. 424 pp., \$80.00 cloth (ISBN: 0-521-86209-4), \$34.99 paper (ISBN: 0-521-68046-8).

Darren Hawkins, David Lake, Daniel Nielson, and Michael Tierney open *Delegation and Agency in International Organizations* by sketching two metaphors that capture contradictory popular understandings of international organizations (IOs). For some, contemporary international organizations are “institutional Frankenstein’s terrorizing the global countryside” (p. 4). For others, they are little more than willing tools of their creators. This distinction frames the book, which is divided into two main sections. The first examines “when and why ... states delegate to an IO and what sets of rules govern that interaction” (p. 5). The second focuses on the sources of IO behavior after they are established as well as the ability of states to anticipate potential problems and maintain control.

To gain leverage over these questions, Hawkins, Lake, Nielson, Tierney and their contributors turn to principal-agent theory, arguing that it is equally relevant for international relations as it is for domestic politics. Given that principal-agent theory has been less prominent in international relations than in the study of US politics, the volume’s most immediate contribution may lie in the Introduction’s comprehensive and clear elaboration of the principal-agent framework. Hawkins, Lake, Nielson, and Tierney explain that “to be a principal, an actor must be able to both grant authority and rescind it” (p. 7). Furthermore, delegation involves “a conditional grant of authority from a *principal* to an *agent*” (p. 7, italics in the original). The editors define “agency slack” (unwanted independent action by an agent) as a potential problem with any delegation. They distinguish two forms of slack: shirking (in which an agent minimizes effort) and slippage (in which agents divert policy away from principals’ preferences toward their own). They usefully distinguish between IO discretion (leeway in choosing policies to bring about specified ends) from IO autonomy (the full range of possible actions available to international organizations, notwithstanding principals’ mechanisms of control). Finally, the editors sharpen their concept of delegation by explaining clearly what delegation is not (namely, it is not unilateralism or international agreement, implemented domestically).

Having defined these concepts, Hawkins, Lake, Nielson, and Tierney proceed to outline the two primary goals of the book: (1) to explain why states delegate authority to international organizations, accounting for variation in delegation, and (2) to explain how principals attempt to control agents, and how agents sometimes obtain significant autonomy. “By delegating, states reap gains from specialization, as well as capture policy externalities, facilitate collective decision-making, resolve disputes, enhance credibility, and lock-in policy biases” (p. 23). In contrast, delegation is hampered by preference heterogeneity (among principals) and asymmetry between state power and organizational decision rules. With respect to the second goal, principals’ attempt to control agents by (1) emphasizing specific rules and minimizing discretion, (2) monitoring agent behavior, (3)

carefully selecting agents with desired preferences, (4) creating checks and balances among agents, and (5) using sanctions.

The bulk of *Delegation and Agency in International Organizations* is dedicated to exploring these two concerns. Part 2 addresses variation in principal preferences, structure, decision rules, and private benefits. Part 3 addresses variation in agent preferences, legitimacy, tasks, and permeability. Although each chapter makes a notable, unique contribution to the volume, a number of themes stand out. Mona Lyne, Nielson, and Tierney (Chapter 2) introduce a typology of “principal structure” that informs the rest of the volume. Principals may consist of one (a single principal) or many actors. Multiple principals exist when each actor contracts separately with the agent. Collective principals require collective decision making prior to delegation. Principal structure has important consequences for agent autonomy. Lawrence Broz and Michael Hawes (Chapter 3) and Helen Milner (Chapter 4) resist assuming unitary state interests, instead locating the source of principals’ control over international organizations in the preferences of domestic political groups. A number of contributors point to principals’ need for information as a reason for delegation. Lisa Martin (Chapter 5) finds that demand for reliable information in recipient countries “is probably the most compelling explanation for staff agency that appears throughout IMF history” (p. 164).

In Part 3, Alexander Thompson (Chapter 8) points out that agent characteristics can also influence the informational function of an international organization. Specifically, the heterogeneous preference structure of the UN Security Council permits it to serve as a reliable signal of the legitimacy of a potential use of force. Another common theme, noted particularly by Hawkins and Wade Jacoby (Chapter 7) and Martin, is that a higher congruence between the interests of agents and principals is likely to lead to greater levels of delegation. The nature of delegated tasks also influences the level of delegation. Karen Alter (Chapter 11) notes a variety of reasons why the behavior of international courts is difficult to control. Similarly, Erica Gould (Chapter 10) points to a number of reasons why the International Monetary Fund is a “particularly costly agent” (p. 304) for principals to monitor effectively, and Hawkins and Jacoby sketch a number of strategies available to agents to increase their autonomy.

The chapters, individually and collectively, make a substantial contribution to scholarship on international organizations, demonstrating the promise of principal-agent theory. In the Conclusion, Lake and Mathew McCubbins reach beyond these contributions to explore the “research frontier” of principal-agent approaches in the study of international organizations. Specifically, they examine the use of third parties as a potential mechanism for strengthening principals’ control over such organizations. Even though they are no doubt correct when they assert that exploring the role of third parties will be a productive avenue for future research, Lake and McCubbins’ claim that the study of principals’ use of third parties to reassert control over international organizations will be “central to future research” (p. 347) will doubtless leave some readers frustrated.

This conclusion deviates from the original focus of *Delegation and Agency in International Organizations*. It essentially abandons the original agnostic stance toward IO agency in favor of successful delegation and moves away from the volume’s earlier commitment to viewing “agents as actors” (p. 31). Lake and McCubbins correctly claim that the strategies they identify for increasing principals’ capacity respond to skeptics of IO control (Barnett and Finnemore 1999, 2004). Yet their response does not fully engage the substance of this criticism. To the extent that states sometimes choose to delegate authority absent strict controls (as suggested by Alter) and to the extent that international organizations are sometimes valued for their commitment to general principles

(as Milner suggests), it is unclear whether IO agency necessarily is a problem in need of fixing. It is even less clear that more control is necessarily the solution.

Increasing the accountability of international organizations to member states represents one critical avenue for future research, but it is only one avenue. The commitment to international organizations as actors, advanced at the outset of the volume, suggests that the principal-agent framework may be potentially useful for examining a broader range of concerns, such as organizational change. Additionally, it opens the possibility that international organizations may exert reciprocal influence on state interests. In Milner's study, domestic public opinion shapes states' choices regarding whether to provide foreign aid unilaterally or multilaterally. Yet, it is also plausible that international organizations influence domestic public opinion regarding the value of "humanitarian," as opposed to targeted, aid. Similarly, Alter describes "legitimacy politics" (p. 336) as a strategy by which international organizations may influence principals. Finally, Mark Pollack (Chapter 6) finds evidence for social learning in that delegation to the European Union influenced other states' decisions to delegate to international organizations. Thus, perhaps the greatest contribution of the volume may be to create space for a genuine dialogue between sociological and rationalist approaches to explaining specific empirical puzzles of international organizations.

Delegation and Agency in International Organizations convincingly demonstrates the promise—and the potential limits—of principal-agent approaches to the study of international organization generally. It also contributes to our understanding of a number of specific international organizations. The book deserves, and will find, a wide audience among scholars of international organizations.

References

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